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(WASHINGTON, DC) - Congressman Russ Carnahan (MO-3) voted to protect American consumers today, with legislation that curbs abusive practices and predatory lending in the mortgage industry. The Mortgage Reform and Anti-Predatory Lending Act outlaws many of the industry actions that marked the subprime lending boom and led to the nation's highest foreclosure rate and worst economic crisis since the Great Depression.

"The hope of someday owning a home is a big part of fulfilling the American dream -- one of the most devastating consequences of this economic crisis is the number of people who have lost their homes due to foreclosure," Congressman Carnahan. **"Congress is ensuring that a financial crisis like this, which started with irresponsible lending, never happens again."**

Specifically, the Mortgage Reform and Anti-Predatory Lending Act ensures that mortgage lenders make loans that benefit the consumer and prohibits them from steering borrowers into higher cost loans. It also prevents borrowers from deliberately misstating their income to qualify for a loan. For the first time ever, it holds accountable all of those who originate, sell and buy loans, including those on Wall Street who buy up and bundle mortgages for profit.

"It was irresponsible predatory lending practices that helped get us into this financial crisis," said Congressman Carnahan. **"This legislation goes a long way toward preventing that type of behavior and protecting Americans from the deceptive practices that have characterized the mortgage industry in recent years."**

The bill goes further toward reforming the U.S. financial system and demanding accountability by establishing common-sense standards for all home loans. Institutions will be required to ensure that borrowers can repay the loans they are sold.

"With this bill, with the Credit Cardholders' Bill of Rights we passed last week and the Financial Markets Commission we voted to establish yesterday, we are taking concrete steps toward reforming our financial system and rebuilding our economy in a way that is fair and consistent with our values," said Congressman Carnahan.

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